



FACT SHEET

2003 OMNIBUS BILL

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REPUBLICAN RHETORIC MISSES MARK ON 2003 APPROPRIATIONS

On February 13, Congress adopted the conference report on the 2003 omnibus appropriation bill, which provided funding for all discretionary programs and activities outside of the Department of Defense. For months last year, Republicans in the House and Senate prevented completion of the remaining 2003 appropriations bills, arguing that the Senate level was too high and that the President would not accept appropriation bills that exceeded \$750.5 billion in total. The President's veto threat persisted even when the Senate Appropriations Committee voted out all thirteen 2003 appropriations bills by unanimous 29 - 0 votes. So, five months later, has the reality lived up to the Republican rhetoric? The answer is resoundingly "no."

Republicans Exceed President's Limit on Discretionary Spending by \$15 Billion

After delaying the 2003 appropriations process for five months, and forcing most of the federal government to operate under a series of continuing resolutions, Congressional Republicans produced a 2003 budget for discretionary spending totaling \$763.2 billion (see Table 1) – almost \$13 billion more than the President's supposedly firm limit of \$750.5 billion. Further, when the additional \$2.2 billion in 2004 advance appropriations provided for in the 2003 omnibus are included, Congressional Republicans exceed the President's level by just under \$15 billion.

Table 1 – Comparison of final 2003 appropriations with President's limit

(2003 discretionary budget authority; \$ billions)	
President's limit for 2003 appropriations	750.5
Final 2003 appropriations level*	
Defense and Military Construction bills	365.3
Omnibus conference report	<u>397.9</u>
Total 2003 appropriations	763.2
Total including \$2.2 billion increase in 2004 Advance Appropriations	765.4
Amount GOP budget exceeds President's limit	12.7
Amount GOP budget exceeds President's limit, including 2004 Advances	14.9

*As estimated by the Congressional Budget Office.

Republicans Agree President's 2003 Level Was Unrealistic After All

Last year, the Republican leadership repeatedly attacked Senate Democrats for producing a budget resolution (which passed out of the Senate Budget Committee) that they claimed provided too much in new discretionary spending authority. These attacks continued even after the Appropriations Committee reported out all 13 appropriation bills on unanimous, bipartisan 29 - 0 votes. The fact that the additional spending authority provided in the Senate Budget Committee-passed budget resolution was needed to restore proposed cuts in domestic priorities such as education, highway construction, law enforcement, veterans health care, and securities regulation, seemed irrelevant to the Republican leadership.

But, as Table 2 shows, in the end the Republican rhetoric could not obscure the painful reality that the President's request for discretionary spending in 2003 was simply inadequate in many key domestic areas. After virtually shutting down the 2003 appropriations process for five months, Republicans provided federal agencies and programs with total discretionary resources (including limitations on transportation obligations) of \$804.8 billion.

By comparison, the Senate Budget Committee-passed resolution proposed total discretionary resources (including limitations on transportation obligations) in 2003 of \$806.8 billion – only \$2 billion more than the final level of 2003 appropriations. In other words, the Republicans delayed the 2003 appropriations for five months over a difference of one-quarter of one-percent.

Notably, all but one Republican voted in favor of the omnibus conference report, adopting spending levels that they had previously ridiculed as fiscally irresponsible.

Table 2 – 2003 final appropriations versus level in SBC-passed 2003 budget resolution

Discretionary budget authority, \$ billions	SBC-passed 2003 Budget Resolution	Final 2003 Appropriations *	Difference	
			\$	%
Defense	392.8	392.2	+0.6	0.15%
International Affairs	25.8	25.4	+0.4	1.57%
Domestic	<u>349.5</u>	<u>345.6</u>	<u>+3.9</u>	<u>1.13%</u>
Total Appropriations	768.1	763.2	+4.9	0.64%
Memorandum (with obligation limitations):				
Transportation	<u>38.7</u>	<u>41.6</u>	<u>-2.9</u>	<u>-6.95%</u>
Total Discretionary Resources	806.8	804.8	+2.0	0.25%

*As estimated by the Congressional Budget Office. The table does not include increases of \$2.2 billion in 2004 advance appropriations provided for under both the 2003 budget resolution and the final 2003 appropriations.

Republicans Add Billions of Dollars in Additional Spending in Conference

The Republican leadership also criticized the roughly \$37 billion in amendments offered by Democrats during the Senate's consideration of the omnibus bill – even though those

amendments were to provide critical funding for homeland security, education, and other domestic priorities. But, as Table 3 shows, once again, Republicans failed to live up to their rhetoric regarding fiscal responsibility. In their closed-door, Republican-only conference negotiations on the 2003 omnibus, the Republican leadership added \$63 billion in spending above the amounts proposed by Appropriations Chairman Stevens on the Senate floor. In fact, Republican add-ons exceeded the total of all Democratic-offered amendments by \$26 billion, or 70 percent.

Table 3. Omnibus conference report versus Stevens amendment

Budget authority, \$ billions	Stevens	Conference	Conference vs. Stevens
Discretionary	385.5	397.9	+12.3
Mandatory	<u>4.1</u>	<u>54.8</u>	<u>+50.7</u>
Total Budget Authority	389.6	452.7	+63.0

Republicans Aren't Serious About Fiscal Responsibility

The Federal government and the nation would have been much better served if Republicans had put aside politics and worked with Senate Democrats last summer and fall to complete the 2003 appropriations. Having done so would have provided virtually the same amount of discretionary funding to federal agencies as eventually was appropriated, but done so in a far less disruptive manner. It also would have prevented the reliance on a massive omnibus bill that enabled Republican conferees to add tens of billions of dollars in new mandatory spending behind closed doors and without debate.

If Republicans were serious about fiscal responsibility, instead of empty rhetoric and criticism of Democratic spending proposals, they would oppose the additional tax cuts being proposed by the President that will benefit so few, while driving the nation even deeper into deficits and debt.